

Money in Politics

Instructor: Brian Libgober

Time and Location: Wednesday 3:30-5:20PM, Rozenkranz 05

Office Hours: Thursday 9AM-11AM or by appointment.

Email: brian.libgober@yale.edu

Information Collection URL: <https://u.nu/kx9o>

Overview

What role does money play in our politics and policy-making processes? What role should it play? How have policy-makers tried to change the role of money in politics, have these efforts worked, and why or why not? This seminar offers an introduction to these questions, primarily focusing on the U.S. context. Some of the topics covered include campaign finance, lobbying, the revolving door, regulatory capture, pork-barrel politics, and the Trump Administration. We will engage with this topic from a variety of academic and professional lenses, wherever possible highlighting cutting-edge empirical research.

Objectives

This course has several objectives. On the one hand, the course aims to impart knowledge and perspective about a set of topics that are perennially the subject of public debate. If you plan to have a career in policy-making, academic research, law, journalism, etc., some of the facts you learn here may well prove useful to you. Similarly if these topics touch on your senior thesis.

Yet the purpose of a college education is not solely to learn interesting facts that might (or might not) be useful. Rather, this seminar represents an opportunity to develop skills that are hard if not impossible to obtain later. These include skills such as

- Critical Thinking
- Reading Comprehension
- Written Expression
- Presentation

Such skills are sometimes dismissed because they are hard to quantify or measure. Yet they make all the difference later. Developing these skills requires consistent practice in a constructive environment.

Method of Instruction/Assignments

The course material in “Money in Politics” is interesting, counter-intuitive, and has a lot of moving parts. As a result, it is particularly conducive to the development of skills advanced undergraduates need to develop. The assignments and mode of instruction are also intended to promote skill development.

1. **Short Memo Assignments** – For weeks 2-4, you will be expected to submit a single-paragraph summary no longer than 250 words that summarizes one of the assigned readings. Those of you wanting additional feedback may submit another memo on week 5. Please submit these by 7PM the night before class. This assignment will be graded P/F, but I will

nonetheless give feedback. Pay attention to this feedback as it will be useful for doing well on the letter graded assignments that come later.

2. Seminar Paper and Intermediate Assignments

The subject matter of this course draws individuals from many different paths and students headed in many different directions. Over the semester, you will prepare a substantial piece of written work where you are asked to inhabit one of the following roles: *policy-maker*, *lawyer*, *data-journalist*, or *social science researcher*. Depending on your choice, you have a different final paper task and pair of intermediate check-in assignments, all of which are letter graded. The first assignment is similar to an abstract length proposal (DUE FRIDAY, WEEK 6), the second is a progress report (DUE FRIDAY, WEEK 10), and the final paper is due **May 8, 2019 (the last day of the final exam period)**. Switching roles midway through the semester is acceptable, although each intermediate assignment should help you complete the next one.

Data Journalist

You are a freelance data journalist. Recently, you've seen that ProPolis has been running features (usually 15-20 double-spaced pages) about the role of money in politics, especially pieces that significantly deepen the public's understanding of how money in politics works. You're wondering if maybe you can get in on the action.

First, write an e-mail pitch to the Editor-in-Chief explaining what you want to write. The pitch should be one paragraph long or at most two, although you will want to craft the pitch carefully because the EIC may reject your pitch. If he does reject it, then you should expect some direction about what topically similar pitch would be accepted. You will have to write a new pitch.

Once the EIC gives you the go-ahead, you will have some time to investigate your story. At the same time, the EIC is likely to grow impatient, so you should submit a progress report to the editor before too long. The progress report should include a concise summary of your efforts, the introduction to your final story, and one full section of the article. The progress report should be roughly 5-8 pages total. Send this to the EIC. Based on the EIC's feedback, you should adjust the direction of your story and proceed to finish the article. You know from previous reading of ProPolis that the article will need to have a fair number of attractive figures that "illustrate" for readers what is really going on, or at the very least tables. Probably it would be advisable to include at least one in the progress report to the EIC. Remember that ProPolis publishes investigative data journalism, not persuasive screeds, and has no explicit ideological agenda.

Policymaker

You work for the Filmore Institute, a well-known think-tank based in Washington, D.C. The Filmore Institute claims to offer non-partisan, evidence-based policy ideas to the most pressing social problems. Recently, the Institute has noticed an especially large number of news articles about the role of money in politics. Ever interested in

keeping the Filmore Institute relevant, the Executive Director is soliciting position papers on the topic from the staff.

First, submit a paragraph or two length summary of the policy proposal you would like to develop. The Executive Director will probably find things that he likes or dislikes in this proposal, but assuming there is enough potential in your idea he will give you the go ahead to produce an executive summary of the proposal (2-3 pages) and an outline of the position paper and the evidence you will use to advocate for the proposal (3-5 pages). Submit these together. In light of the Executive Director's feedback, proceed to write a position paper of about 18-25 pages double-spaced. The paper should begin with the executive summary and persuasively argue in favor of the proposal throughout. While there are no formal requirements as to what must be included, you believe that the better position papers will discuss policies that were previously important in this space, why they did or did not work, potential perverse side-effects of your proposed policy, and also issues affecting implementation, for example legal problems or partisan objections. The more research in favor of the idea, the better.

Please bear in mind that the Filmore Institute has come under fire for having too explicit an ideological agenda in some of its recent proposals, and the Executive Director has been a pain about this lately. Policies that would benefit one political party or another to a greater extent fine, but you have to make sure that the primary justifications for a policy are not partisan.

Lawyer

You are an associate at Hammer, Legg, and Crutch LLP, a boutique law firm based in D.C. that has a well-regarded appellate practice. Crutch has just informed you that you will need to write an amicus brief in an upcoming Supreme Court case challenging yet another dubious policy initiative backed by the Filmore Institute. You can't really recall what the policy at issue is. Come to think of it, you aren't sure if the policy is federal law, state law, or something else weird. You'll have to get clear on the policy at issue before you start writing your brief. Probably you should include some description of the policy at the very beginning of the brief.

Somehow Crutch did not indicate the name of the case or the client you are representing, or even which side you are on. Is it one of the political parties, a corporation, a public interest organization, or someone else? You'll have to find out.

One thing about which Crutch *was* clear is that the client is anxious to hear about your legal strategy as soon as possible. First, send Crutch an email laying out in a paragraph or two the legal argument you will be making on the client's behalf. Crutch may have some feedback on your strategy, but assuming all is well he will suggest you begin writing the brief. Crutch will know that this takes some time, but send Crutch the first 5-8 pages to make sure he knows you're making progress. Assuming everything looks good to Crutch, go ahead and finish the brief. Please be aware that the firm is billing the client by the page. The client will not pay for more than 25 pages and will not accept less than 20. Whether the policy justifications are

strong or weak may prove important, but you know that Crutch will evaluate the amicus brief on the quality of the *legal argument*. Introducing some history may prove important, but more important is the principles in the case law and an understanding of how they have been applied.

Academic

Write an original research paper answering a substantial question of social-scientific significance about the role of money in politics. To start, scout out a particular journal to submit to and include a one-page letter to the editor explaining why your article is a good fit. If that sounds oddly open-ended and non-specific, welcome to the club! Assuming the editor is interested, you should begin to prepare the draft. Submit a 5-8 pages excerpt (for the academic, the excerpt does not have to be in order, but you are encouraged to include a paragraph abstract). The final paper should be about 18-25 pages.

3. **Presentations** – You will be expected to give a 10-minute presentation on your final paper to the class. In the event of high-enrollment, some of you working on thematically similar papers may be encouraged to co-present.

Grading Scheme

Participation – 15%
Memos – 15%
Proposal – 5%
Intermediate Paper Assignment – 15%
Presentation – 20%
Final Paper – 30%

Schedule:

Week 1: Overview

- Introduction
 - Discuss Priors
 - Introduce Key Descriptive Facts
 - Syllabus.
 - Questions.

Week 2: What's An Interest? (1st Memo Due)

- Excerpts from Key Judicial Decisions
 - *Dennis v. US*, 341 U.S. 494 (1951).
 - *NAACP v. Paterson*, 357 U.S. 449 (1958).
 - *Citizens United v. FEC*, 558 U.S. 310 (2010).
- Hart, David M. 2004. “‘BUSINESS’ IS NOT AN INTEREST GROUP: On the Study of

Companies in American National Politics.” *Annual Review of Political Science* 7 (1): 47–69. <https://doi.org/10.1146/annurev.polisci.7.090803.161829>.

- Schlozman, Kay Lehman, Philip Edward Jones, Hye Young You, Traci Burch, Sidney Verba, and Henry E. Brady. 2015. “Organizations and the Democratic Representation of Interests: What Does It Mean When Those Organizations Have No Members?” *Perspectives on Politics* 13 (4): 1017–29. <https://doi.org/10.1017/S1537592715002285>.

Week 3: Campaign Contributions (2nd Memo Due)

- Garrett, R Sam. 2016. “The State of Campaign Finance Policy: Recent Developments and Issues for Congress.” *CRS Report* R41542, pp. 1-13.
- Ansolabehere, Stephen, John M. de Figueiredo, and James M. Snyder. 2003. “Why Is There So Little Money in U.S. Politics?” *Journal of Economic Perspectives* 17 (1): 105–30. <https://doi.org/10.1017/CBO9781107415324.004>.
- McChesney, Fred S. 1997. “Rent Extraction: The Theory of Political Extortion.” In *Money for Nothing: Politicians, Rent Extraction, and Political Extortion*. Cambridge, MA: Harvard University Press.
- Barber, Michael J., Brandice Canes-Wrone, and Sharece Thrower. 2017. “Ideologically Sophisticated Donors: Which Candidates Do Individual Contributors Finance?” *American Journal of Political Science* 61 (2): 271–88. <https://doi.org/10.1111/ajps.12275>.

Week 4: Campaign Spending (3rd and Final Memo Due)

- Ansolabehere, Stephen, and James M. Snyder. 2000. “Soft Money, Hard Money, Strong Parties.” *Columbia Law Review* 100 (3): 598–619.
- Huber, Gregory A., and Kevin Arceneaux. 2007. “Identifying the Persuasive Effects of Presidential Advertising.” *American Journal of Political Science* 51 (4): 957–77.
- Kalla, Joshua L., and David E. Broockman. 2017. “The Minimal Persuasive Effects of Campaign Contact in General Elections: Evidence from 49 Field Experiments.” *American Political Science Review*, 1–19. <https://doi.org/10.1017/S0003055417000363>.

Week 5: Lobbying (February 20)

- Baumgartner, Frank R., Jeffrey M. Berry, Marie Hojnacki, David C. Kimball, and Beth L. Leech. 2011. *Lobbying and Policy Change*. (selections)
- Hall, Richard L, and Alan V Deardorff. 2006. “Lobbying as Legislative Subsidy.” *American Political Science Review* 100 (1): 69–84. <https://doi.org/doi:10.1017/S0003055406062010>.

- Johnson, Vincent R. 2006. “Regulating Lobbyists: Law, Ethics, and Public Policy.” *Cornell Journal of Law and Public Policy* 16 (1): 17–56.

Week 6: Lobbying II (February 27) (Paper Proposal Due Friday, March 1st)

- Bertrand, Marianne, Matilde Bombardini, and Francesco Trebbi. 2014. “Is It Whom You Know or What You Know? An Empirical Assessment.” *American Economic Review* 104 (12): 3885–3920.
- You, Hye Young. 2017. “Ex Post Lobbying.” *Journal of Politics* 79 (4): 1162–76.
- Kosar, Kevin R, Paul Glastris, Lee Drutman, Jonathan Rauch, and Molly Reynolds. 2016. “Restoring Congress as the First Branch.” R Street Policy Study No. 50.

Week 7: Regulatory Capture (March 6)

- Huntington, Samuel P. 1952. “The Marasmus of the ICC: The Commission, The Railroads, and The Public Interest.” *Yale Law Journal* 61 (4): 467.
- Gordon, Sanford, and Catherine Hafer. 2013. “Conditional Forebearance as an Alternative to Capture.” In *Preventing Regulatory Capture: Special Interest Influence and How to Limit It*, 208–32. Cambridge, MA: Cambridge University Press.
- Kwak, James. 2013. “Cultural Capture and the Financial Crisis.” In *Preventing Regulatory Capture, Special Interest Influence and How to Limit It*, 71–98. <https://doi.org/10.1017/CBO9781139565875>.

Week 8: Revolving Door (March 27)

- Zaring, David. 2013. “Against Being against the Revolving Door.” *University of Illinois Law Review*, 507–49. <https://doi.org/10.3366/ajicl.2011.0005>.
- Palmer, Maxwell, and Benjamin Schneer. 2015. “Capitol Gains: The Returns to Elected Office from Corporate Board Directorships.” *Journal of Politics* 78 (1): 1–50.
- Lucca, David, Amit Seru, and Francesco Trebbi. 2014. “The Revolving Door and Worker Flows in Banking Regulation.” *Journal of Monetary Economics* 65: 17–32. <https://doi.org/10.1016/j.jmoneco.2014.05.005>.

Week 9: Representation of the Wealthy (April 3)

- Putney Debates (excerpts).
- Gilens, Martin, and Benjamin I. Page. 2014. “Testing Theories of American Politics: Elites, Interest Groups, and Average Citizens.” *Perspectives on Politics* 12 (3): 564–81.

<https://doi.org/10.1017/S1537592714001595>.

- Branham, Alexander J., Stuart N. Soroka, and Christopher Wlezien. 2017. "When Do the Rich Win?" *Political Science Quarterly* 132 (1): 43–62. <https://doi.org/10.1002/polq.12577>.
- Bonica, Adam, Nolan McCarty, Keith T Poole, and Howard Rosenthal. 2013. "Why Hasn't Democracy Slowed Rising Inequality?" *Journal of Economic Perspectives* 27 (3): 103–24. <https://doi.org/10.1257/jep.27.3.103>.

Week 10: Distributive Politics (April 10) (Intermediate Paper Assignment Due Friday, April 12)

- Theodore Lowi, *American Business, Public Policy, and Political Theory, World Politics* (1964) (focus on pp. 686-715, but the 677-686 is a helpful review of some ideas we've already discussed at some length)
- Diana Evans, Introduction, *Greasing the Wheels: Using Pork Barrel Projects to Build Majority Coalitions in Congress*
- Mark Strand and Anca Butcaru, "The Case for Earmarks: Were They Really That Bad?" *The Sausage Factory Blog*. CONGRESSIONAL INSTITUTE. <https://www.conginst.org/2016/09/15/the-case-for-earmarks-were-they-really-that-bad/>

Week 11: Rulemaking (April 17)

- Balla, Steven J. 1998. "Administrative Procedures and Political Control of the Bureaucracy." *American Political Science Review* 92 (3): 663–73. http://www.journals.cambridge.org/abstract_S0003055400214962.
- Yackee, Jason Webb, and Susan Webb Yackee. 2006. "A Bias towards Business? Assessing Interest Group Influence on the U.S. Bureaucracy." *Journal of Politics* 68 (1): 128–39. <https://doi.org/10.1111/j.1468-2508.2006.00375.x>.
- Libgober, Brian, and Daniel Carpenter. 2018. "Lobbying with Lawyers: Financial Market Evidence for Banks' Influence on Rulemaking." 2018-01. Working Paper Series.

Week 12: Student Presentations (April 24)

Final papers due **May 8, 2019 (the last day of the final exam period)**.